State of California

Legislative Change No. 00-28

Bill Number: SB 2170   Author: Senate Revenue and Taxation Committee   Chapter Number: 00-647

Laws Affecting Franchise Tax Board: Revenue and Taxation Code Sections 17935, 19236 and 19052.

Date Filed with the Secretary of the State: September 26, 2000

SUBJECT: Miscellaneous Tax Provisions Affecting the Franchise Tax Board (FTB)

Senate Bill 2170 (Senate Revenue and Taxation Committee), as enacted on September 26, 2000, made the following changes to California law:

Revenue and Taxation Code Section 17935 is amended.

This act corrects an error inadvertently created by SB 1229 (Stats. 1999, Ch. 987) and carries out the intent of SB 1229 by providing relief from the annual limited partnership tax for specified limited partnerships. This act is consistent with legislative intent in enacting the amendments made by SB 1229 (Stats. 1999, Ch. 987) and is thus declaratory of existing law.

Revenue and Taxation Code Section 19052 is added.

This act provides that adjustments made by FTB to the amount claimed by a taxpayer under the refundable child and dependent care credit law could be treated by FTB as a math error correction, but the taxpayer would still be allowed the right to protest and appeal FTB's adjustment.

Revenue and Taxation Code Section 19236 is amended.

This act clarifies that trade or business property may not be levied by FTB unless the levy is approved by FTB's assistant executive officer or FTB finds that collection of the tax is in jeopardy.

Except for Section 17935, this act is effective and operative on January 1, 2001. Section 17935 is operative retroactively to taxable years beginning on or after January 1, 1997, which is consistent with the operative date for SB 1229.

This act will not require any reports by the department to the Legislature.

Bureau Director	Date
Brian Putler	November 11, 2000